A conversation with New Incentives, January 30, 2015

Participants

- Svetha Janumpalli – CEO and Founder, New Incentives
- Patrick Stadler – Chief Strategy Officer, New Incentives
- Mark Lampert – Founder, Lampert Family Foundation
- Katherine Clements – Director, Lampert Family Foundation
- Ben Rachbach – Research Analyst, GiveWell
- Natalie Crispin – Senior Research Analyst, GiveWell

Note: These notes were compiled by GiveWell and give an overview of the major points made by Svetha Janumpalli and Patrick Stadler.

Summary

GiveWell spoke with Ms. Janumpalli and Mr. Stadler of New Incentives about its conditional cash transfer (CCT) programs. Conversation topics included New Incentives' CCT program to prevent mother-to-child transmission of HIV and its plans to create a CCT program to incentivize facility delivery in high-risk pregnancies.

New Incentives' current operations

New Incentives is currently running a conditional cash transfer (CCT) program for prevention of mother-to-child transmission of HIV (PMTCT) in Akwa Ibom State, Nigeria. HIV-positive, pregnant women are eligible to receive cash transfers at three times:

1. When they register with New Incentives
2. When they deliver in the clinic where they registered (the conditions to be met for this transfer were temporarily changed due to a health worker strike, as described below)
3. When they get an early infant HIV diagnosis test for their newborn (these tests are usually given six weeks after birth and results arrive in four to six weeks)

Currently, New Incentives is operating in five clinics and has almost 300 beneficiaries. It has improved its compliance rates in recent months:

- 90-100% of women pick up the first cash transfer.
    - New Incentives gives out the payment codes for the transfers over the phone.
- 56% of women pick up the second transfer based on preliminary data as of January 2015. This is a significant improvement upon previous compliance rates, which were 20-30%.

New Incentives has optimized its enrollment process and established a reliable cash transfer and electronic data management system. It can now catch bribery cases in

real time and resolve problems with local banks. It also has developed a strong relationship with the Ministry of Health. Ideally, New Incentives wants to increase retention of participants in the program through the second transfer to 70-75%. Increasing retention to 60-65% across all clinic sites by the end of the year is more realistic. Even 50% retention, a 20% increase in facility delivery from the 30% baseline, would be considered a success by public health experts.

New Incentives believes that facility delivery rates have been improving because it employs local Field Officers who enroll women in their local language. In addition, it has introduced processes to stay in better contact with participants to remind them that New Incentives is "still around" (in participants' words) and hasn't forgotten about them. New Incentives also introduced a delivery reminder to help women plan for transport to the clinic. Many women fail to deliver in a clinic because they and their husbands are afraid that if they try to go to a clinic, they will not make it in time and will end up delivering on the way there.

New Incentives is also working to get an endorsement from the Christian Association of Nigeria. Many women feel that facility delivery conflicts with their religious beliefs.

PMTCT CCT program challenges

New Incentives initially struggled to register in Nigeria as a non-governmental organization. It was also difficult for Ms. Janumpalli to gain residency in Nigeria. These initial issues have been resolved.

One participant's husband saw her consent form and got very angry and threatened to leave her if she did not quit the program. The form stated that New Incentives would not publish any personal information on the Internet. The husband saw the word "Internet" and thought that the form meant that the woman's photo would be published. The woman left the program.

Later, the same participant returned to the clinic and asked to be re-enrolled. New Incentives told her she was not eligible. Staff members asked her to return to the clinic with her husband or another family member so they could discuss her participation, but she never returned. New Incentives tried to follow up with her through clinic nurses and antiretroviral counselors, but was unsuccessful. New Incentives has not tried to contact the participant directly because it deleted her data from its database and further contact would be inappropriate. New Incentives now phrases its consent form more carefully (i.e. without mentioning the word "Internet").

Ms. Janumpalli is conflicted about New Incentives' response to this situation. New Incentives does not want to endanger women, but it also doesn't want to punish them for telling the truth. Other women have asked to withdraw from the program because they changed their minds about participating, but this was the only incident where a woman was forced to withdraw from the program under duress.

The health worker strike

In December of 2014, health care workers went on strike because they were not getting paid. Money was being diverted from the health system to fund the upcoming elections in February, according to some observers. The elections should be over by the end of February and the strike will likely end around the same time.

Elections happen every four years and strikes are common in Nigeria, but usually they only involve doctors and consultants. Smaller strikes occur outside of election time. This strike has been especially challenging because it involves nurses, who are vital to the PMTCT CCT program functioning.

Because many government hospitals and clinics are closed, New Incentives created alternative solutions:

- The focus of the second transfer is temporarily shifted away from facility delivery. New Incentives did not want to risk incentivizing women to deliver in private facilities where a caesarean section might cost $500. Private clinics increase prices during strikes.
- During the strike, women are eligible for the second transfer if they pick up Nevirapine (NVP), an antiretroviral, from the private clinics. NVP use is the most important measure to prevent transmission of HIV. If the mother brings in her baby, a nurse administers the first dose of NVP in the clinic, provides the mother with additional doses for six weeks, and instructs her on how to administer it to the baby.
- New Incentives developed referral relationships with private clinics that will provide ARVs and NVP to program participants at no cost.
- New Incentives considered partnering with suppliers to ensure that private clinics will have enough ARVs and NVP to cope with any increased demand.

Due to the strike, governmental hospitals are not processing the early infant HIV diagnosis tests. New Incentives has set up a system to expedite test results if the test machine is broken, but that solution will only work for technical issues, not strike-related delays.

Some clinics, including a major facility, are still operating because nurses are continuing to come to work even though they are not getting paid. In those clinics, New Incentives has continued the enrollment process uninterrupted, and women can still plan for facility delivery and receive the second transfer that way.

In other clinics, the strike negatively affected enrollment. New Incentives had expected to enroll around 80 women per month, but after the strike began it was only able to enroll around 20 women per month. Ms. Janumpalli predicts that, over the next several years, strikes will decrease the total number of women that New Incentives is able to enroll by up to 5%.

Compliance rates have not changed dramatically during the strike, although the sample size is too small to measure this precisely. During the strike New Incentives has informed women they should pick up NVP at a private clinic instead of delivering at a public clinic and has told them how to do so. The participants who

picked up NVP tended to be highly engaged with New Incentives, calling multiple times to ask how to get PMTCT care. New Incentives believes that these participants would have delivered in their registered clinics if that had been an option.

PMTCT program expansion

New Incentives is planning to expand the PMTCT CCT program to additional sites. In order for the program to be cost-effective, clinics must average at least one or two HIV-positive women registering their pregnancies per week. In clinics with relatively low numbers of HIV-positive women, nurses alert potential participants about the PMTCT CCT program and schedule their prenatal appointments on New Incentives' monthly enrollment days. To maximize cost-effectiveness, New Incentives hopes to enroll five or more women at every enrollment day. Ideally, participants will expand awareness of the program by discussing the program with their peers, increasing enrollment and compliance rates.

New Incentives will not expand the program unless facility delivery rates continue to improve. Improving facility delivery rates is essential to the success of the PMTCT program and the future high-risk pregnancy program. It can take as long as six months from when a woman enrolls in the program to measure whether she delivered in a clinic. New Incentives expects second transfer compliance rates to remain between 55-65% as it expands.

Expanding the PMTCT program will allow New Incentives to address issues that will only come up when operating at a larger scale. New Incentives wants to test whether its cash transfer and data management systems will still work efficiently when there are thousands of participants. It is important to test these scenarios before expanding to other states in Nigeria.

Domestic and international expansion

New Incentives will expand the PMTCT CCT program to other states in Nigeria before growing internationally. The Nigerian government has a list of about 10 PMTCT priority states. New Incentives has identified states that have similar infant mortality rates, facility delivery rates, and rates of mother-to child transmission of HIV (MTCT) to Akwa Ibom. It will likely expand to Cross River State first, because it has a high MTCT burden and is only two hours from New Incentive's current base. Ideally, as per current practice state governments will cover the costs of their own involvement in monitoring the programs.

New Incentives plans to expand throughout suitable regions of Nigeria by 2017. Currently, political instability in the North makes it infeasible to expand there, but New Incentives will consider expanding there if the situation improves.

After expanding within Nigeria, New Incentives plans to expand internationally to other countries with high population density, high rates of mother-to-child transmission of HIV, low demand for PMTCT services, and the infrastructure to conduct electronic cash transfers. International expansion would help New Incentives diversify its risks. New Incentives currently depends heavily on:

1. FHI 360, a nonprofit, which supports the provision of PMTCT services in multiple states.
2. X Bank's (redacted) mobile money platform to make electronic money transfers.
3. The Ministry of Health to keep governmental hospitals and clinics operating. A federal health strike would affect all government hospitals and clinics in Nigeria.

Randomized controlled trial of the PMTCT CCT program

New Incentives has recruited a research team to carry out a randomized controlled trial (RCT) of its PMTCT CCT PROGRAM funded by the Gates Foundation. The team includes:

- **Nancy Padian** – Director of International Research, AIDS Research Institute, University of California, San Francisco (UCSF). She will serve as the principal investigator.
- **Nicholas Wilson** – Assistant Professor of Economics, Reed College.
- **Jenny Liu** – Economist, Global Health Group, UCSF. She recently spent two days with New Incentives in Nigeria and gave New Incentives several suggestions for improvement, including ways to improve its confidentiality policy and to better incentivize women to follow the conditions.
- **Neelam Feachem** – Chief Executive Officer at The Healthcare Redesign Group Inc. She will play an advisory role and help New Incentives work with Masters students who will be doing capstone projects that will contribute to the research program. One student is conducting a literature review and another is doing a supply-side assessment of clinics where New Incentives hopes to expand.
- **Eric Goosby** – former United States Global AIDS Coordinator and former Director of the President's Emergency Plan for AIDS Relief (PEPFAR). Dr. Goosby will serve as an advisor for the RCT. Dr. Goosby has years of experience working with the Nigerian government. His contacts and experience will help New Incentives to advocate at the federal level in Nigeria.

Dr. Padian will pre-register the RCT in the coming month as New Incentives obtains approval from the institutional review board at UCSF. Most members of the research team are donating their time. The research team has already suggested improvements to the enrollment system that may have contributed to the increased compliance rates. The research team thinks that getting the compliance rates to 60-65% will set a strong base for further expansion and even 50% facility delivery would be considered successful.

New Incentives is providing stipends and covering the research team's travel expenses, which are the most significant costs in the RCT budget. New Incentives is funding the cash transfers in the RCT from its operations budget. Because the cost of

running the RCT is relatively low, New Incentives is able to supplement it with two additional research projects:

- A qualitative study, including in-depth interviews with beneficiaries
- A discrete choice experiment to explore what size of transfers are necessary to incentivize women to seek PMTCT care

The two economists on the research team, Professor Wilson and Dr. Liu, are leading the discrete choice experiment. They will ask individual women whether various levels of incentive would be enough to convince them to seek PMTCT care. New Incentives determined its current cash transfer amounts by researching PMTCT care and transportation costs and setting the transfer amounts high enough that, after using some of the transfer to pay for PMTCT care and transportation, participants would have some of the transfer left over as a pure incentive. New Incentives is not planning to reduce its cash transfer amounts, but information about the effectiveness of various amounts might be helpful if the Ministry of Health or another organization wanted to replicate the PMTCT CCT program with smaller transfers.

High-risk pregnancy CCT program

Relationship with PMTCT CCT program

New Incentives is planning to introduce a high-risk pregnancy CCT program to complement the existing PMTCT CCT program. New Incentives will be able to spend a smaller proportion of its budget on its own operations if it scales up, and the organization will be able to make use of the relationships it has already built with the Ministry of Health and clinic staff members to start the new program. The Ministry will likely support the high-risk pregnancy program, because facility delivery is one of its priorities.

The high-risk pregnancy program will also help New Incentives expand its PMTCT program by allowing New Incentives to expand to new clinics and by drawing more women to those clinics. As soon as more than one or two HIV-positive women are visiting a clinic weekly, New Incentives can theoretically expand the PMTCT program to that site.

Additionally, running the two programs concurrently may reduce stigma around New Incentives' programs and make it easier to communicate with PMTCT participants, because being involved in a New Incentives program will no longer imply that a woman is living with HIV. Reducing the stigma around participating in New Incentives' programs could also increase compliance.

New Incentives doesn’t expect this program to limit its ability to expand the PMTCT program. The effectiveness of both programs depends on whether New Incentives is able to increase facility delivery rates, so improvements to one program will likely benefit the other as well.

Enrollment

Nurses will refer all women with high-risk pregnancies to New Incentives. New Incentives will identify eligible women and enroll a random subset of that group. There are two reasons to enroll a random subset:

- It will help prevent health worker fraud. New Incentives is concerned that nurses might try to get ineligible women enrolled in New Incentives' program in exchange for a cut of the cash transfer. Since not all eligible women will be enrolled due to the random selection, it will be harder for nurses to plant women in the program, since the plants may not be selected to participate. New Incentives is taking other precautions against fraud as well. New Incentives will conduct random tests for pregnancy and high-risk pregnancy criteria such as high blood pressure and malaria. It will also ask detailed questions to verify childbearing history (though it is difficult to fully verify this).
- Enrolling only a subset of eligible women will ensure that New Incentives does not overburden clinics. 30% of all pregnancies registered at the clinics are high-risk. If a clinic currently has a 20% facility delivery rate, New Incentives wouldn't want to increase that to more than approximately 40%. In India, CCT programs to encourage facility delivery have overburdened small clinics by increasing demand too quickly. New Incentives believes that clinics can handle a substantial increase in facility delivery based on its understanding of clinics' current staffing and the availability of supplies. New Incentives is working with the research team to formalize its process for assessing clinics' capacity.

Cost-effectiveness

Based on New Incentives' initial calculations, this program should save a life for every $5,000 -$10,000. These calculations use mortality data for all pregnancies, not just high-risk ones. High-risk pregnancies are presumably associated with higher mortality, so using data for high-risk pregnancies only should lower the estimated cost per life saved. The potential benefits of the cash transfers themselves are not included in the calculations.

New Incentives used the Lives Saved Tool (LiST) from the Johns Hopkins Bloomberg School of Public Health to calculate cost-effectiveness. In the calculation, New Incentives used LiST's national data for Nigeria on demographics and the impact of health interventions. New Incentives used its own data and data from the Demographic and Health Surveys on facility delivery and bed net ownership.

Timeline

New Incentives hopes to secure funding for this program by the end of February. It has already received approval from key staff within the Ministry of Health, but it will take a few weeks to ensure complete government buy-in and receive final approval from the Commissioner of Health. New Incentives plans to pilot the program, complete clinic trainings, and refine data collection protocol in March before fully rolling out the program in one clinic in April. (Update April 2015: The introduction

of the new CCT program for high-risk pregnancies has been postponed to early 2016 as the necessary funds have not yet been secured.)

Alternative CCT program ideas

Initially, New Incentives considered a CCT program to incentivize vaccinations. However, immunization rates are generally fairly high in South Nigeria. Many people do not complete the full vaccine cycle, but it is likely that the government and other organizations will improve those rates over the next few years. New Incentives also explored the possibility of a CCT program to encourage malaria prophylaxis or family planning. However, multiple experts at the Swiss Tropical and Public Health Institute, as well as Amanda Glassman at the Center for Global Development, suggested focusing on neonatal mortality, which is best addressed by facility delivery. Facility delivery gives women access to the most effective neonatal health interventions.

New Incentives also identified a significant need for bed nets. Various organizations in Akwa Ibom already sponsor bed net campaigns, but often the populations targeted in these distributions fail to receive and use the nets (only 15% of children below 5 slept under a bed net according to DHS 2013). New Incentives is considering passing out bed nets to expectant mothers during the first cash transfer in the high-risk pregnancy CCT program. It is possible that giving a bed net in the context of a cash transfer focused on neonatal health will make the mother more likely to use the bed net to protect herself and her newborn.

Overall strategy and funding goals

New Incentives is hoping to raise $518,000 to fund the PMTCT expansion and the high-risk pregnancy program.

- This would allow New Incentives to hire a full time high-level manager in Nigeria.
- This figure takes into account expected attrition from both programs and lower enrollment in the PMTCT program at some clinic sites because some potential participants in the program will be assigned to the control arm of the RCT.
- The PMTCT expansion program alone would cost around $140,000.
- Funding for the RCT is already secured.
- New Incentives hopes that GiveWell and the Lampert Family Foundation will consider funding the expansion.

New Incentives would like to receive funding commitments for the entire year so it can hire a local Field Director for South-South Nigeria full-time. It will only hire a manager if it receives funding to expand to additional sites. Building a local team will ensure the sustainability of the Akwa Ibom program as New Incentives expands to other states. Also, Ms. Janumpalli will not have time to monitor clinic operations and complete audits as New Incentives expands. She plans to spend less of her time in clinics and more of her time:

- Traveling to states where New Incentives may expand in the future and advocating for New Incentives at the federal level
- Managing New Incentives' data system
- Monitoring approval processes
- Managing the cash disbursement process

Mr. Stadler currently contributes 20% of his time to New Incentives.

Pace of expansion

New Incentives wants to expand quickly while Ms. Janumpalli is based in Nigeria. She plans to be based in Nigeria until the end of 2015 and spend several months per year on the ground starting in 2016**.** While there, Ms. Janumpalli can train local staff to manage the program and conduct clinical oversight and audits. In addition, the Ministry of Health is very enthusiastic about New Incentives' programs, and Ms. Janumpalli wants to take advantage of that enthusiasm. By expanding quickly, Ms. Janumpalli believes New Incentives can quickly learn how to provide cash transfers effectively.

New Incentives planned the RCT carefully to fit with its expansion. Most of the work for the RCT is in the preparation and protocol design. Once New Incentives has designed these protocols, the RCT will not be considerably more work than simply running the CCT program and should not impede the program's expansion.

Partial funding scenarios

New Incentives' primary goal is to expand to all potential PMTCT sites and complete the RCT. If it receives only partial funding, it will prioritize completing these projects over experimenting with the high-risk pregnancy program.

If New Incentives doesn't receive enough funding to hire a high-level manager, it might still be necessary to hire a more experienced field officer who could troubleshoot technology and who would coordinate with the Ministry of Health to ensure its commitment will increase as New Incentives expands its programs.

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